

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934
(AMENDMENT NO. 3)

VLSI TECHNOLOGY, INC.
(NAME OF ISSUER)

COMMON STOCK
(TITLE OF CLASS OF SECURITIES)

918270-10-9
(CUSIP NUMBER)

F. THOMAS DUNLAP, JR.
VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY
INTEL CORPORATION
2200 MISSION COLLEGE BOULEVARD
SANTA CLARA, CA 95052
TELEPHONE: (408) 765-8080
(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON
AUTHORIZED TO RECEIVE NOTICES AND COMMUNICATIONS)

JANUARY 31, 1995
(DATE OF EVENT WHICH REQUIRES
FILING OF THIS STATEMENT)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box. []

Check the following box if a fee is being paid with this statement. []

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

The information required in the remainder of this cover page shall not be deemed to be "filed" for purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)
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1. NAME OF REPORTING PERSON Intel Corporation
S.S. or I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-1672743

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) []
(b) []

3. SEC USE ONLY

4. SOURCE OF FUNDS Working Capital

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(E) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

<TABLE>

<S> <C> <C>
NUMBER OF 7. SOLE VOTING POWER 8,032,811

SHARES			
BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8.	SHARED VOTING POWER	N/A
	9.	SOLE DISPOSITIVE POWER	8,032,811
	10.	SHARED DISPOSITIVE POWER	N/A

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11.	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	8,032,811
12.	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	[]
13.	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	21%
14.	TYPE OF REPORTING PERSON	CO

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Intel Corporation ("Intel" or the "Reporting Person") hereby amends its statement on Schedule 13D filed with the Securities and Exchange Commission on July 8, 1992 (the "Initial Statement") and previously amended on August 25, 1992 and August 5, 1994 with respect to the common stock (the "Common Stock"), of VLSI Technology, Inc. ("VLSI" or the "Issuer").

Item 2. Identity and Background.

- (a) Name of Person Filing: Intel Corporation
The officers and directors of Intel are set forth on Appendix A hereto.
- (b) Address of Principal Business Office:
2200 Mission College Boulevard
Santa Clara, CA 95052-8119
- (c) Principal Business:
Manufacturer of microcomputer components, modules and systems.
- (d) Criminal Proceedings:
During the last five years neither the Reporting Person nor any officer or director of the Reporting Person has been convicted in any criminal proceeding.
- (e) Civil Proceedings:
During the last five years, neither the Reporting Person nor any officer or director of the Reporting Person has been party to any civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such person was or is subject to any judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.
- (f) Place of Organization:
Delaware.

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Item 4. Purpose of the Transaction.

The Reporting Person acquired the Common Stock of the Issuer in connection with a 1992 technology agreement to jointly develop chipsets for hand-held computers. Intel and VLSI have determined not to extend their joint development efforts to other chipsets, and have amended their technology agreements accordingly.

In connection with such determination, Intel presently intends to liquidate all or a portion of its equity ownership in VLSI, through one or more sales pursuant to public or private offerings. Intel may determine to retain some portion of such securities as an investment.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated as of January 31, 1995.

INTEL CORPORATION

By /s/ F. THOMAS DUNLAP, JR.

F. Thomas Dunlap, Jr.
Vice President, General
Counsel and Secretary

APPENDIX A

DIRECTORS

The following is a list of all Directors of Intel Corporation and certain other information with respect to each Director:

<TABLE>

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Name: <C> Craig R. Barrett

Business Address: 2200 Mission College Boulevard, Santa Clara, CA 95052

Principal Occupation: Executive Vice President and Chief Operating Officer of Intel Corporation

Name, principal business and address of corporation or other organization on which employment is conducted: Intel Corporation, a manufacturer of microcomputer components, modules and systems.
2200 Mission College Boulevard
Santa Clara, CA 95052

Name: Winston H. Chen

Business Address: Paramitas Foundation, 3945 Freedom Circle, Suite 760, Santa Clara, CA 95054

Principal Occupation: Chairman of Paramitas Foundation

Name, principal business and address of corporation or other organization on which employment is conducted: Paramitas Foundation, a charitable foundation.
3945 Freedom Circle, Suite 760
Santa Clara, CA 95054

Name: Andrew S. Grove

Business Address: 2200 Mission College Boulevard, Santa Clara, CA 95052

Principal Occupation: President and Chief Executive Officer of Intel Corporation

Name, principal business and address of corporation or other organization on which employment is conducted: Intel Corporation, a manufacturer of microcomputer components, modules and systems.
2200 Mission College Boulevard
Santa Clara, CA 95052

</TABLE>

<TABLE>

<S>

Name: <C> D. James Guzy

Business Address: 295 North Bernardo, Mountain View, CA 94043

Principal Occupation:	President of The Arbor Company
Name, principal business and address of corporation or other organization on which employment is conducted:	The Arbor Company, a limited partnership engaged in the electronics and computer industry. 295 North Bernardo Mountain View, CA 94043
Name:	Gordon E. Moore
Business Address:	2200 Mission College Boulevard, Santa Clara, CA 95052
Principal Occupation:	Chairman of the Board of Intel Corporation
Name, principal business and address of corporation or other organization on which employment is conducted:	Intel Corporation, a manufacturer of microcomputer components, modules and systems. 2200 Mission College Boulevard Santa Clara, CA 95052
Name:	Max Palevsky
Business Address:	924 Westwood Boulevard, Suite 700, Los Angeles, CA 90024
Principal Occupation:	Industrialist
Name, principal business and address of corporation or other organization on which employment is conducted:	Self-employed.
Name:	Arthur Rock
Business Address:	One Maritime Plaza, Suite 1220, San Francisco, CA 94111
Principal Occupation:	Venture Capitalist
Name, principal business and address of corporation or other organization on which employment is conducted:	Arthur Rock and Company, a venture capital firm. One Maritime Plaza, Suite 1220 San Francisco, CA 94111

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<TABLE>	
<S>	<C>
Name:	Jane E. Shaw
Business Address:	c/o Intel Corporation 2200 Mission College Boulevard Santa Clara, CA 95052
Principal Occupation:	Former President and Chief Operating Officer of Alza Corporation
Name, principal business and address of corporation or other organization on which employment is conducted:	c/o Intel Corporation 2200 Mission College Boulevard Santa Clara, CA 95052
Name:	Leslie L. Vadasz
Business Address:	2200 Mission College Boulevard, Santa Clara, CA 95052
Principal Occupation:	Senior Vice President, Director, Corporate Business Development, Intel Corporation
Name, principal business and address of corporation or other organization on which employment is conducted:	Intel Corporation, a manufacturer of microcomputer components, modules and systems. 2200 Mission College Boulevard Santa Clara, CA 95052
Name:	David B. Yoffie
Business Address:	Harvard Business School, Soldiers Field Park 1-411, Boston, MA

Principal Occupation:	Max and Doris Starr, Professor of International Business Administration
Name, principal business and address of corporation or other organization on which employment is conducted:	Harvard Business School, an educational institution. Harvard Business School Soldiers Field Park 1-411 Boston, MA 02163

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<TABLE>	
<S>	<C>
Name:	Charles E. Young
Business Address:	405 Hilgard Avenue, Los Angeles, CA 90024
Principal Occupation:	Chancellor
Name, principal business and address of corporation or other organization on which employment is conducted:	University of California at Los Angeles, an educational institution. 405 Hilgard Avenue Los Angeles, CA 90024

EXECUTIVE OFFICERS

The following is a list of all executive officers of Intel Corporation excluding executive officers who are also directors. Unless otherwise indicated, each officer's business address is 2200 Mission College Boulevard, Santa Clara, California 95052-8119, which address is Intel Corporation's business address.

<TABLE>	
<S>	<C>
Name:	G. Carl Everett, Jr.
Title:	Senior Vice President; General Manager, Microprocessor Products Group
Name:	Frank C. Gill
Title:	Senior Vice President; General Manager, Intel Products Group
Address:	5200 N.E. Elam Young Parkway, Hillsboro, OR 97124-6497
Name:	David L. House
Title:	Senior Vice President; Director, Corporate Strategy
Name:	Paul S. Otellini
Title:	Senior Vice President; Director, Sales
Name:	Gerhard S. Parker
Title:	Senior Vice President; General Manager, Technology and Manufacturing Group
Name:	Robert W. Reed
Title:	Senior Vice President; General Manager, Semiconductor Products Group
Name:	Ronald J. Whittier
Title:	Senior Vice President; General Manager, Intel Architecture Laboratories
Name:	Albert Y. C. Yu
Title:	Senior Vice President; General Manager, Microprocessor Products Group
Name:	Michael A. Aymar
Title:	Vice President; General Manager, Intel 486(TM) Microprocessor Division

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<TABLE>	
<S>	<C>
Name:	Richard D. Boucher
Title:	Vice President; Director, Corporate Programs
Name:	Andy D. Bryant

Title: Vice President and Chief Financial Officer
Name: Dennis L. Carter
Title: Vice President; Director, Corporate Marketing Group
Name: Sunlin Chou
Title: Vice President; Director, Logic Technology Development
Address: 5200 N.E. Elam Young Parkway, Hillsboro, OR 97124-6497
Name: Jean-Claude Cornet
Title: Vice President; Director, Microprocessor Technology
Name: F. Thomas Dunlap, Jr.
Title: Vice President; General Counsel and Secretary
Name: Kirby A. Dyess
Title: Vice President; Director, Human Resources
Name: Carlene M. Ellis
Title: Vice President; Director, Information Technology
Name: Thomas L. Hogue
Title: Vice President; Director, Corporate Materials and Services
Name: Harold E. Hughes, Jr.
Title: Vice President; Director, Planning and Logistics
Name: Robert T. Jenkins
Title: Vice President; Director, Corporate Licensing
Name: D. Craig Kinnie
Title: Vice President; Director, Architecture Development Lab
Name: Edward A. Masi
Title: Vice President; General Manager, Scalable Systems Division
Address: 5200 N.E. Elam Young Parkway, Hillsboro, OR 97124-6497
Name: Stephen P. Nachtsheim
Title: Vice President; General Manager, Mobile and Home Products Group
Name: Arvind Sodhani
Title: Vice President and Treasurer
</TABLE>

<TABLE>
<S>
Name: Michael R. Splinter
Title: Vice President; General Manager, Components Manufacturing
Address: 4100 Sara Boulevard, Rio Rancho, NM 87124
</TABLE>